

92ND CONGRESS
1ST SESSION

H. R. 10488

IN THE HOUSE OF REPRESENTATIVES

AUGUST 6, 1971

Mr. GRAY (for himself, Mr. GROVER, Mr. McCURE, and Mr. THOMSON of Wisconsin) introduced the following bill; which was referred to the Committee on Public Works

A BILL

To amend the Public Buildings Act of 1959, as amended, to provide for financing the acquisition, construction, alteration, maintenance, operation, and protection of public buildings, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Public Buildings Amend-
4 ments of 1971".

5 SEC. 2. The Public Buildings Act of 1959 (73 Stat.
6 479), as amended (40 U.S.C. 601 et seq.), is amended as
7 follows:

8 (1) delete the figure "\$200,000" in subsection (b)

1 of section 4 and insert the figure "\$500,000" in lieu
2 thereof;

3 (2) delete the figures "\$100,000" and "\$200,-
4 000" in subsection (a) of section 7, and insert in each
5 case the figure "\$500,000" in lieu thereof;

6 (3) delete "and such approval has not been
7 rescinded as provided in subsection (c) of this section"
8 in subsection (a) of section 7;

9 (4) delete the word "maximum" in clause (2) of
10 subsection (a) of section 7;

11 (5) delete in such section all of subsections (b),
12 (c), and (d), and "(a)" following "SEC. 7.";

13 (6) delete in subsection (a) of section 12 the
14 following: "as he determines necessary,"; and

15 (7) in sections 11 and 12, delete "(a)" after
16 "Section 7";

17 SEC. 3. Subsection (f) of section 210 of the Federal
18 Property and Administrative Services Act of 1949, as
19 amended (40 U.S.C. 490 (f)), is amended to read as follows:

20 "(f) (1) There is hereby established in the Treasury
21 of the United States on such date as may be determined by
22 the Administrator, a fund into which there shall be deposited
23 the following revenues and collections:

24 "(a) User charges made pursuant to subsection

25 (j) (1) of this section payable in advance or otherwise.

1 “(b) Proceeds with respect to building sites au-
2 thorized to be leased pursuant to subsection (a) of this
3 section, and proceeds with respect to building sites,
4 plans, and specifications authorized to be sold pursuant
5 to subsection (h) of this section.

6 “(c) Receipts from carriers and others for loss of,
7 or damage to, property belonging to the fund.”

8 “(2) Moneys deposited into the fund shall be available
9 for expenditure for real property management and related
10 activities in such amounts and for such purposes as specified
11 in annual appropriations Acts: *Provided*, That authorizations
12 for capital expenditures may be made without regard to
13 fiscal year limitations.

14 “(3) There are hereby merged with the fund established
15 under this subsection, unexpended balances of (A) the Build-
16 ings Management Fund (including any surplus therein),
17 established pursuant to this subsection prior to its amend-
18 ment by the Public Buildings Amendments of 1971; (B)
19 the Construction Services Fund, created by section 9 of the
20 Act of June 14, 1946 (60 Stat. 259), as amended; and
21 (C) any funds appropriated to General Services Adminis-
22 tration under the headings ‘Repair and Improvement of
23 Public Buildings’, ‘Construction, Public Buildings Projects’,
24 ‘Sites and Expenses, Public Buildings Projects’, ‘Construc-
25 tion, Federal Office Building Numbered 7, Washington, Dis-

1 trict of Columbia', and 'Additional Court Facilities', in any
2 appropriation Acts for the years prior to the fiscal year in
3 which the fund becomes operational: *Provided*, That the fund
4 shall assume all the liabilities, obligations, and commit-
5 ments of the said (1) Buildings Management Fund, (2)
6 Construction Services Fund, and (3) the appropriations spec-
7 ified in (C) hereof.

8 “(4) Advances are hereby authorized to be appropri-
9 ated to the fund to carry out its purposes: *Provided*, That
10 such advances shall, within thirty years, be repaid with in-
11 terest at a rate not less than a rate determined by the Secre-
12 tary of the Treasury taking into consideration the current
13 average market yield on outstanding marketable obligations
14 of the United States with remaining period to maturity com-
15 parable to the average maturities of such advances adjusted
16 to the nearest one-eighth of 1 per centum, and: *Provided*
17 *further*, That any appropriations made to the General Serv-
18 ices Administration for the direct Federal construction of
19 public buildings after July 31, 1971, shall, within thirty
20 years from the date of obligation, be repaid as above.

21 “(5) In any fiscal year there may be deposited to mis-
22 cellaneous receipts such amount as may be specified in the
23 annual budget estimates for the fund.

24 “(6) Nothing in this section shall preclude the General

25 Services Administration from providing services not

1 included in the standard level user charge, such as security
2 guarding, alterations and space adjustments requested by
3 and for the convenience of any agency, design and engi-
4 neering services, and similar special services, on a reim-
5 bursable basis and such reimbursements may be credited
6 to the fund established under this subsection."

7 SEC. 4. Section 210 of the Federal Property and Admin-
8 istrative Services Act of 1949, as amended (40 U.S.C. 490),
9 is amended by adding three new subsections reading as
10 follows:

11 "(j) The Administrator is authorized—

12 "(1) to charge any eligible agency furnished serv-
13 ices, space, quarters, maintenance, repair, or other facili-
14 ties (hereinafter referred to as space and services), at
15 rates to be determined by the Administrator from time to
16 time and provided for in regulations issued by him.
17 Such rates and charges shall approximate commercial
18 charges for comparable space and services: *Provided*,
19 That with respect to those buildings for which the
20 Administrator of General Services is responsible for
21 alterations only (as the term 'alter' is defined in section
22 13 (5) of the Public Buildings Act of 1959 (73 Stat.
23 479), as amended (40 U.S.C. 612 (5)), the rates
24 charged the occupant agency or agencies for such serv-
25 ices shall be fixed by the Administrator so as to recover

1 only the approximate applicable cost incurred by him
2 in providing such alterations. Agencies, or activities
3 within agencies, may be exempted from the charges
4 provided by this subsection, if the Director of the Office
5 of Management and Budget determines that such charges
6 would be infeasible or impractical. To the extent any
7 such exemption is granted, appropriations to the Gen-
8 eral Services Administration are authorized to reimburse
9 the fund for any loss of revenue;

10 “(2) to alter Federal buildings;

11 “(3) to maintain, operate, and protect public build-
12 ings (as defined in the Public Buildings Act of 1959, as
13 amended) and sites, and provide services related there-
14 to, including demolition and improvement with respect to
15 sites authorized to be leased pursuant to subsection (a)
16 of this section, by contract or otherwise;

17 “(4) to rent space in buildings in the District of
18 Columbia notwithstanding the provisions of the Act of
19 March 3, 1877 (40 U.S.C. 34) ; and

20 “(5) to provide such fencing, lighting, guard
21 booths, and other facilities on private or other property
22 not in Government ownership or control as may be ap-
23 propriate to enable the United States Secret Service to
24 perform its protective functions pursuant to section 3056

1 of title 18, United States Code, and the Act of June 6,
2 1968, 82 Stat. 170.

3 “(k) Any other executive agency, in addition to Gen-
4 eral Services Administration, which provides to an eligible
5 agency space and services set forth in subsection (j) (1) of
6 this section, is authorized to charge the eligible agency for
7 such space and services at rates approved by the Administra-
8 tor of General Services and the Director of the Office of Man-
9 agement and Budget. Moneys derived by other agencies from
10 such rates or fees shall be credited to the appropriation or
11 fund initially charged for providing the service, except that
12 amounts which are in excess of actual operating and mainte-
13 nance costs of providing the service shall be credited to mis-
14 cellaneous receipts unless otherwise authorized by law.”

15 “(l) As used in this section—

16 “(1) The terms ‘eligible agency’ or ‘eligible agencies’
17 shall have the same meaning as the term ‘Federal agency’ as
18 defined in section 3 (b) of the Federal Property and Admini-
19 strative Services Act, as amended (40 U.S.C. 472) and
20 include mixed ownership corporations (as defined in the Gov-
21 ernment Corporation Control Act), the government of the
22 District of Columbia, private persons, or organizations.

23 “(2) The term ‘real property management and related
24 activities’ shall include the functions of acquisition, design,
25 construction, alteration, renting, operation, maintenance,

1 protection, moving, demolition, and other like functions which
2 General Services Administration or other agencies are au-
3 thorized by law to provide eligible agencies."

4 SEC. 5. The Public Buildings Act of 1959 (73 Stat.
5 479), as amended (40 U.S.C. 601), is amended by adding
6 a new section 4 and renumbering the existing section 4 and
7 subsequent sections appropriately. The new section 4 shall
8 read as follows:

9 (a) Whenever the Administrator of General Services
10 determines that the best interests of the United States will
11 be served by taking action hereunder, he is authorized
12 to provide space for an eligible agency (as defined in section
13 210(1) of the Federal Property and Administrative Services
14 Act of 1949, as amended (40 U.S.C. 490)) by entering
15 into purchase contracts, the terms of which shall not be
16 less than ten or more than thirty years and which shall
17 provide in each case that title to the property shall vest in
18 the United States at or before the expiration of the contract
19 term and upon fulfillment of the terms and conditions stipu-
20 lated in each of such purchase contracts. Such terms and
21 conditions shall include provision for the application to
22 the purchase price agreed upon therein of installment pay-
23 ments made thereunder.

24 (b) Each such purchase contract shall include such pro-
25 visions as the Administrator of General Services, in his dis-

1 cretion, shall deem to be in the best interests of the United
2 States and appropriate to secure the performance of the
3 obligations imposed upon the party or parties that shall enter
4 into such agreement with the United States. No such pur-
5 chase contract shall provide for any payments to be made
6 by the United States in excess of the amount necessary, as
7 determined by the Administrator, to—

8 (1) amortize the cost of improvements to be con-
9 structed plus the fair market value, on the date of the
10 agreement, of the site, if owned or acquired by the con-
11 tractor; and

12 (2) provide a reasonable rate of interest on the out-
13 standing principal as determined under (1) above; and

14 (3) reimburse the contractor for the cost of any
15 other obligations assumed by him under the contract,
16 including (but not limited to) payment of taxes, costs of
17 carrying appropriate insurance, and costs of repair and
18 maintenance if so assumed by the contractor.

19 (c) Funds now or hereafter available for the payment
20 of rent and related charges for premises, whether appropri-
21 ated directly to the General Services Administration or to any
22 other agency of the Government and received by said Ad-
23 ministration for such purpose, may be utilized by the Admin-
24 istrator of General Services to make payments becoming due
25 from time to time from the United States as current charges

1 in connection with agreements entered into under authority
2 of this section.

3 (d) With respect to any interest in real property
4 acquired under the provisions of this section, the same shall
5 be subject to State and local taxes until title to the same shall
6 pass to the Government of the United States.

7 (e) For the purpose of purchase contracts provided for
8 in this section for the erection by the contractor of build-
9 ings and improvements for the use of the United States,
10 the Administrator is authorized to enter into agreements
11 with any person, copartnership, corporation, or other public
12 or private entity, to effectuate any of the purposes of this
13 section; and is further authorized to bring about the devel-
14 opment and improvement of any land owned by the United
15 States and under the control of the General Services Admin-
16 istration including the demolition of obsolete and outmoded
17 structures situated thereon, by providing for the construction
18 thereon by others of such structures and facilities as shall
19 be the subject of the applicable purchase contracts, and by
20 making available such plans and specifications for the con-
21 struction of a public building thereon as the Government
22 may possess: *Provided*, That projects heretofore approved
23 pursuant to the provisions of the Public Buildings Act of
24 1959, as amended (40 U.S.C. 601 et seq.), and in which
25 no substantial change in scope has been made, may be

1 constructed under authority of this section without further
2 approval, and the prospectuses submitted to obtain such
3 approval shall for all purposes, be considered as prospectuses
4 for the purchase of space.

5 (f) Except for previously approved prospectuses re-
6 ferred to in (e) above, no purchase contract shall be entered
7 into pursuant to the authority of this section until a prospec-
8 tus therefor has been submitted and approved in accordance
9 with section 8 of this Act.

10 (g) No purchase contract shall be entered into under
11 the authority granted under this section after a period of
12 three full fiscal years from the date of enactment.

13 SEC. 6. Section 210 of the Federal Property and Ad-
14 ministrative Services Act of 1949, as amended (40 U.S.C.
15 490), is further amended by (1) deleting the word "twenty"
16 in subsection 210 (h) (1) and inserting the word "thirty"
17 in lieu thereof; and (2) renumbering section 210 (h) (2)
18 as section 210 (h) (3), and adding a new paragraph (2)
19 immediately after section 210 (h) (1), as follows:

20 "(2) For the purpose of lease agreements providing for
21 the erection by the lessor of buildings and improvements for
22 the use of the United States, the Administrator may make the
23 property of the United States to be used as a site for a public
24 building (as defined in section 14 (1) of the Public Build-

ings Act of 1959, as amended) available by sale to the lessor in such manner and upon such terms as the Administrator deems appropriate to the best interest of the United States, together with such plans and specifications for the construction of a public building thereon as the Government may possess: *Provided*, That projects heretofore approved pursuant to the provisions of the Public Buildings Act of 1959, as amended (40 U.S.C. 601 *et seq.*), and in which no substantial change in scope has been made, may be constructed under the authority of this section 210 (h) without further approval, and the prospectuses submitted to obtain such approval shall, for all purposes, be considered as prospectuses for the lease construction of space: *Provided further*, That in order to utilize the authority granted under this paragraph (2) with respect to such previously approved projects, the Administrator must find that a purchase contract as provided for in section 4 of the Public Buildings Act of 1959, as amended herein, is not a feasible means of providing the required space. Sections 202 and 203 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 483 and 484), shall not be applicable to property made available under this subsection. The authority granted under this paragraph (2) shall be in effect

1 for a period of three full fiscal years from enactment and not
2 thereafter.

3 SEC. 7. The maximum costs for projects heretofore ap-
4 proved by resolutions of the Public Works Committees of
5 the Senate and the House of Representatives, construction
6 of which has not yet started, are hereby waived, and the
7 amounts so approved shall be considered as estimates at the
8 time of approval only.

9 SEC. 8. To carry out the provisions of the Public Build-
10 ings Amendments of 1971, the Administrator of General
11 Services shall issue such regulations as he deems necessary:
12 *Provided*, That such regulations shall be coordinated with
13 the Office of Management and Budget, and the rates estab-
14 lished by the Administrator of General Services pursuant to
15 section 210 (j) (1) of the Federal Property and Administra-
16 tive Services Act of 1949, as amended, shall be approved by
17 the Director of the Office of Management and Budget.

18 SEC. 9. Funds available to any eligible agency may be
19 used to pay user charges established under sections 210 (j)
20 and (k) of the Federal Property and Administrative Serv-
21 ices Act of 1949, as amended.

22 SEC. 10. This Act shall become effective upon enactment.
23 The effective date of applying the rates to be charged pur-

1 suant to the regulations to be issued under subsections (j) (1)
2 and (k) of section 210 of the Federal Property and Ad-
3 ministrative Services Act of 1949, as amended, shall be as
4 determined by the Administrator of General Services but in
5 any event shall not be later than the beginning of the third
6 full fiscal year subsequent to the enactment thereof.

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1ST SESSION

H. R. 10488

A BILL

To amend the Public Buildings Act of 1959, as amended, to provide for financing the acquisition, construction, alteration, maintenance, operation, and protection of public buildings, and for other purposes.

By Mr. GRAY, Mr. GROVER, Mr. McCURE, and
Mr. THOMSON of Wisconsin

AUGUST 6, 1971

Referred to the Committee on Public Works

SENDER	UNCLASSIFIED	CONFIDENTIAL	SECRET
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OFFICIAL ROUTING SLIP

TO	NAME AND ADDRESS	DATE	INITIALS
1	Acting Director of Logistics Rm 1206, Ames Building		<i>[Signature]</i>
2	<i>EO/DK</i>	<i>4/1/72</i>	<i>[Signature]</i>
3	<i>SA-DK</i>	<i>4/1/72</i>	<i>[Signature]</i>
4	<i>CYBRS/DK</i>		
5			
6			

ACTION	DIRECT REPLY	PREPARE REPLY
APPROVAL	DISPATCH	RECOMMENDATION
COMMENT	FILE	RETURN
CONCURRENCE	INFORMATION	SIGNATURE

Remarks:

REF: Meeting on 18 April 72 in O/ADD/S re
Building Maintenance & Agency/GSA
Relationships

The attached H.R. 10488 is forwarded
for your information.

FOLD HERE TO RETURN TO SENDER

FROM: NAME, ADDRESS AND PHONE NO.	DATE
Assistant Deputy Director for Support 7D18, Hqs	APR 1972
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